



July 12, 1972

STAT
MEMORANDUM TO: DOD/DSAA-Mr. Morris
CIA/OGC [REDACTED]
CIA/TE- [REDACTED]
AID/SA/IR/LT-Mr. Thompson
AID/GC-Mr. Ludacer
L/EA-Mr. Johnson
EA/LC-Mr. Davis
AID/SA/IR/C-Mr. Kamens
PM/PA-Mr. Pernick

FROM: PM/MAS - Robert T. Grey

SUBJECT: Senator Symington's Letter on
Laos and Cambodian Ceilings

I am forwarding still another draft of a
proposed response to Senator Symington's letter on
the Cambodian and Laos ceiling. Please let me
have your comments or suggested revisions by COB,
Friday. (14 Aug 1972)

If I do not hear from you, I will assume that
you and your respective agency or bureau have cleared
the letter.

PM/MAS:RG:csa

JUL 12 11 58 AM '72
CS/IND

PM/NAS:RTGrey:csa 7/11/72

Dear Senator Symington:

This letter is in response to your letter of June 15 to Secretary Laird and your July 1 letter to Secretary Rogers requesting information concerning the implementation of Section 505 of the Defense Procurement Authorization Act of 1971 and Section 655 of the Foreign Assistance Act of 1971.

I am enclosing the initial message to the field of November 29, 1971, concerning Section 505 of the Military Procurement Authorization Act pertaining to the Laos ceiling. This telegram was prepared on an interagency basis and represents the basic continuing guidelines for Embassy Vientiane in preparing its reports under Section 505.

I am also forwarding copies of the supplemental instructions prepared by the Department of Defense concerning reporting on programs covered by Section 505, as well as some AID instructions designed to supplement the basic instructions, particularly for further guidance on narcotics and regional development expenditures. (The CIA has informed us that it has sent no instructions concerning Section 505 other than those contained in the initial interagency message.)

-2-

As you are aware, Section 655 of the Foreign Assistance Act of 1971 requires that the accounting on the ceiling on assistance to Cambodia be made on the basis of obligations. This accounting is done in Washington. Therefore, apart from transmitting notification of the passage of the FAA and the text of Section 655 to Embassy/ ^{Phnom Penh}, no instructions were sent to the field concerning this ceiling.

We are also preparing the periodic reports for the fourth quarter of FY 1972 on assistance to Laos and Cambodia, and plan to forward them to the Congress by July 30. We hope to be able, at the same time, to give a report on assistance provided under the Laos and Cambodia ceilings in FY 1972, with the understanding that the Laos figures for the first half-year are on the basis of the best estimates available since procedures for reporting on an expenditure basis were not established for the first half-year.

We are also preparing a more detailed, classified breakdown of the assistance provided under these ceilings in FY 1972, and will forward this to you when it is completed.*

Finally, in the case of Laos, we are also preparing an accounting of the cost of all items which are intended for the use of the Royal Lao Government and which will be counted against the Laos ceiling when they are delivered.

I hope that the enclosed documents and those being prepared will be helpful to you. We will make every effort to answer any further questions which you may have.

Sincerely yours,

David M. Abshire

Enclosures

1. (telegram No., etc.)
2. DOD Instructions
3. AID Instructions